GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:836
ANSWERED ON:23.11.2000
POTENTIAL OF AIR INDIA
AJAY CHAKRABORTY;MADHAVRAO SCINDIA;RENUKA CHOWDHURY;SUSHIL KUMAR SAMBHAJIRAO SHINDE;UTTAMRAO NATHUJI DHIKALE;VSM (RETD.) COL. CHOUDHARY

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the attention of the Government has been drawn to the newsitem captioned `The great Air India sell out before the sell off` published in `The Hindustan Times` dated October 16, 2000;

(b) whether just before undertaking some 40% disinvestment of Air India, billateral air-traffic rights were granted to 16 countries between November, 1999 and August, 2000;

(c) if so, whether Air India failed to secure the resultant potential earnings, with just 23 aircrafts and failing to fly on all the routes as a result of the said bilateral agreements; and

(d) the reasons for failing to augment its fleet, before selling out the rights to foreign airlines?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a): Yes, Sir.

(b): Bilateral talks have been held with 16 countries at Government level between November, 1999 and August, 2000 to review air services matters.

(c): Capacity entitlements and traffic rights are exchanged on the principle of reciprocal benefits. The actual benefits from such exchange depend on the ability of the airlines of the two countries to operationalise and utilise these rights, and can, therefore, vary from case to case. While Air India does not have currently the required aircraft to deploy on most of these routes, its interests are taken care of through commercial arrangements required to be concluded with several airlines.

(d): Air India is in the process of acquiring four or five aircraft on dry-lease to augment its fleet.